

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, October 26, 2004, the following members were present:

Thomas J. Schneider, Vice Chairman  
Matt Brainard, Commissioner  
Greg Jergeson, Commissioner  
Jay Stovall, Commissioner

Bob Rowe, Chairman, was absent but left his written votes with the Commission secretary.

APPEARANCE

Leroy Beeby  
Utility Division

(208) In the matter of Sprint Communications Company L. P. Montana - Docket No. N2004.10.162: On October 6, 2004 Sprint Communications Company L. P. Montana filed its 239<sup>th</sup> revision of its Montana P.S.C. Price List No. 1. The purpose of the filing is to: increase the payphone surcharge associated with several paid phone cards; make text changes to include the payphone surcharge with the card rates; make text corrections; reduce the 75, 180 and 310 minute increments of the Sprint Retail Prepaid Calling Card Option U (Radio Shack); introduce 500 minute increment for Sprint Retail Prepaid Calling Card Option U (Radio Shack); grandfather the 33 minute increment of the Sprint Retail Calling Card Option U (Radio Shack). Sprint requested an October 14, 2004 effective date.

Commissioner Brainard moved to approve the revision with the effective date of October 14, 2004. Commissioner Stovall seconded the motion, which passed 5-0.

APPEARANCE

Eric Eck  
Utility Division

(209) In the matter of Black Hills Power - Docket No. D2004.9.160: On September 29, 2004, BHP filed a Quarterly Fuel Rate Rider application. A Notice of Opportunity for Public Hearing was issued on October 1, 2004. Requests for hearing were due by October 26, 2004. No requests have been received. This application will decrease revenues by \$1,378 over the base cost of fuel approved in Docket No. 83.4.25. A default order has been drafted.

Commissioner Stovall moved to grant the application. Commissioner Jergeson seconded the motion, which passed 5-0.

(210) In the matter of MDU Resources Group, Inc. - Docket No. D2004.10.163: On October 6, 2004, MDU applied for authority to issue over a two-year period \$750,000,000 of long-term

financing in the following amounts; (1) the issuance of not to exceed \$750,000,000 of the Company's Common Stock, (2) the issuance not to exceed \$112,500,000 of the Company's Preferred Stock and/or Preferred Stock A, (3) the issuance of not to exceed \$262,500,000 of the Company's secured debt securities, (4) the issuance of not to exceed \$262,500,000 of stock purchase contracts and (5) the issuance of not to exceed \$262,500,000 of hybrid securities such as convertible or unconvertible preferred securities, putable or callable instruments. The Company seeks the flexibility to vary the maximum issuance amounts for each type of security so long as the aggregate issuance amount of all securities does not exceed \$750,000,000. The proceeds of these issuances will be used for funding the Company's capital requirements, for the refunding of its outstanding obligations, for corporate development including the acquisition of businesses or business assets and for other general corporate purposes. A Default Order has been drafted.

Commissioner Stovall moved to grant MDU's request as specified above. Commissioner Jergeson seconded the motion, which passed 5-0.

APPEARANCE

Kate Whitney, Administrator  
Utility Division

(211) In the matter of Qwest Corporation - Docket No. D2000.6.80: Qwest Corporation filed on September 15, 2004 a *Notice of Modifications to Exhibit B of the Statement of Generally Available Terms & Conditions (SGAT) and Request to Modify the Qwest Performance Assurance Plan (QPAP) Found in Exhibit K to the SGAT*. On September 24, 2004, the Commission noticed the filing and provided an opportunity to comment. No comments were received. Staff recommends the Commission permit the amended SGAT Exhibit B and QPAP found in Exhibit K to go into effect no later than 60 days after submittal to the Commission and, pursuant to Section 16 of the QPAP, the changes shall automatically apply to all existing interconnection agreements that currently contain Exhibit B and the QPAP as exhibits.

Commissioner Jergeson moved to accept staff recommendations in this matter. Commissioner Brainard seconded the motion, which passed 5-0.

APPEARANCE

Gary Duncan  
Utility Division

(212) In the matter of Qwest Corporation - Docket No. D2000.6.80: Qwest Corporation filed on September 8, 2004, a request to revise Exhibit A of its *Statement of Generally Available Terms & Conditions (SGAT)*. SGAT Exhibit A contains Qwest's prices for wholesale network elements. According to Qwest, the purpose of the filing is to clarify terminology and numbering consistency and to establish regional formatting and sequencing for regional products. On September 28, 2004, the Commission noticed the filing and provided an opportunity to comment.

No comments were received. Staff recommends the Commission permit the amended SGAT Exhibit A to go into effect no later than 60 days after submittal to the Commission and that the Commission deem the revised Exhibit A to modify the SGAT and the Exhibit A contained in existing interconnection agreements.

Commissioner Brainard moved to except staff recommendations in this matter. Commissioner Stovall seconded the motion, which passed 5-0.

APPEARANCE

Scott Fabel  
Utility Division

(213) In the matter of MCI Communications - Docket No. N2004.10.164: On October 8, 2004, MCI filed a revision to its Montana Tariff No. 2. The purpose of this filing is to make a textual change and add a rate per call for Payphone Use Charge.

Commissioner Brainard moved to approve the revision to Montana Tariff No. 2. Commissioner Stovall seconded the motion, which passed 5-0.

APPEARANCE

Wayne Budt, Administrator  
Transportation & Centralized Services Division

(214) In the matter of the approval of Commission Minutes:

Commissioner Jergeson moved to approve the Commission minutes for the week of October 18, 2004. Commissioner Brainard seconded the motion, which passed 5-0.

APPEARANCE

Gary Duncan

(215) In the matter of the Commission's discussion of Interconnection Agreements between Qwest, Southern Montana, Verizon, SBC, and Talk America in Docket No.s D2004.8.141, D2004.9.148 and D2004.9.149 respectively:

Commissioner Brainard moved to approve the interconnection agreement between Qwest and Southern Montana, Verizon, in Docket No. D2004.8.141. Commissioner Stovall seconded the motion, which passed 5-0.

Commissioner Brainard moved to approve the interconnection agreement between Qwest and Southwestern Bell Communications in Docket No. D2004.9.148. Commissioner Stovall seconded the motion, which passed 5-0.

Commissioner Brainard moved to approve the interconnection agreement in Docket No. D2004.9.149 between Qwest and Talk America. Commissioner Jergeson seconded the motion, which passed 5-0.

APPEARANCE

Will Rosquist, Utility Division  
Al Brogan, Legal Division

(216) In the matter of the Commission's discussion of the City of Great Falls Application for license to supply electricity:

Commissioner Stovall moved to approve the recommendations made by staff; to amend the electric supplier license to include Great Falls housing authority and waive the standard for the limited purpose of this application and not as a precedent for future waivers. Commissioner Jergeson seconded the motion, which passed 5-0.

APPEARANCE

Al Brogan

(217) In the matter of the Commission's discussion of PacifiCorp Transition Plan Docket:

Commissioner Brainard moved to issue the draft order as a final order and close the docket in Docket No. D97.7.91. Commissioner Stovall seconded the motion, which passed 3-1. Commissioner Rowe noted nay. Commissioner Schneider abstained from voting on this matter.

(218) In the matter of the Commission's discussion of Grid West:

Commissioner Brainard moved to have staff prepare a draft response for circulation based on the outline that was described by staff and leave open for collaboration with others. Commissioner Stovall seconded the motion, which passed 4-0. The vote was left open for Commissioner Rowe.

(219) In the matter of the Commission's discussion of Tracy Burland (dba Mr. B's Limo) Application for PCN:

Commissioner Brainard moved to deny the application without prejudice. Commissioner Jergeson seconded the motion, which passed 3-2. Commissioner Rowe and Commissioner Stovall voted nay.

There being no further business to come before the Commission the meeting was adjourned.

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BOB ROWE, Chairman

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THOMAS J. SCHNEIDER, Vice Chairman

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MATT BRAINARD, Commissioner

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GREG JERGESON, Commissioner

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JAY STOVALL, Commissioner

ATTEST:

Connie Jones  
Commission Secretary

(SEAL)

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Thursday, October 28, 2004, the following members were present:

Thomas J. Schneider, Vice Chairman  
Matt Brainard, Commissioner via telephone  
Greg Jergeson, Commissioner  
Jay Stovall, Commissioner via telephone

Bob Rowe, Chairman, was absent.

APPEARANCE  
Robin McHugh

(220) In the matter of the Commission's discussion of GFT v PSC and NWE (attorney fees):

Commissioner Jergeson moved to authorize Commission counsel to sign a joint motion to dismiss appeal No. 04-606 before the Montana Supreme Court, and to approve the release and settlement agreement among the Great Falls Tribune (and other media entities) – releasor – and the Commission and NorthWestern Energy – releasees, to settle releasors' claim for attorney fees and costs in connection with Case No. CDV-2001-708, Montana First Judicial District Court, and on appeal to the Montana Supreme Court, Case Nos. 02-301 and 04-606. Commissioner Brainard seconded the motion, which passed 4 to 0.

Commissioner Jergeson moved to have the Montana PSC pay it's portion of the mediator's cost up to \$1,000. Commissioner Brainard seconded the motion, which passed 4 to 0.

There being no further business to come before the Commission the meeting was adjourned.

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BOB ROWE, Chairman

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THOMAS J. SCHNEIDER, Vice Chairman

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MATT BRAINARD, Commissioner

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GREG JERGESON, Commissioner

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JAY STOVALL, Commissioner

ATTEST:

Connie Jones  
Commission Secretary

(SEAL)